

Conference Summary

June 2, 1999

Conference Summary #106-2

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Chairman
4th District, Oklahoma

FY 1999 Emergency Supplemental Appropriations Act H.R. 1141

Committee on Appropriations
H.Rept. 106-143

Legislative History:

The House passed H.R. 1141 (*H.Rept. 106-64*; the FY 1999 Emergency Supplemental Appropriations Act) by a vote of 220-211 on March 24, 1999. The Senate approved its version of the measure (S. 544) by unanimous consent on the same day. The House passed H.R. 1664 (*H.Rept 106-125*; the Kosovo Supplemental Appropriations Act) by a vote of 311-105 on May 6, 1999. Supplemental funding for Kosovo was later included in the conference report to H.R. 1141. The Senate did not pass a separate supplemental appropriations measure for Kosovo.

The House passed the conference report to H.R. 1141 by a vote of 269-158 on May 18, 1999. The Senate approved it by a vote of 64-36 on May 20. President Clinton signed the bill into law (*P.L. 106-31*) on May 21, 1999.

Highlights:

H.R. 1141 appropriates \$12 billion to pay for U.S. participation in *Operation Allied Force* in Yugoslavia and for military operations in Southwest Asia as well as approximately \$2.9 billion in emergency disaster relief and other supplemental spending.

Kosovo and Other Defense Spending. H.R. 1141 includes funding to provide humanitarian aid, replenish depleted stocks of munitions and spare parts stores, increase military pay and retirement benefits, strengthen security at U.S. diplomatic missions, and fund needed military construction projects. Specifically, the measure appropriates:

- * \$2.35 billion for spare parts, depot maintenance, recruitment, readiness, and base operations to cover service shortfalls identified by the military chiefs before the Kosovo operation commenced;

FY 1999 Supplemental Appropriations

Appropriation Account	President's Request	House Proposal	Conference Report	% Change from Request	% Change from House Level
	(in millions)				
Kosovo-Related Funding	\$6,049.1	\$13,014.5	\$12,010.2	+98.5%	-7.7%
Emergency Spending	\$1,779.9	\$1,219.9	\$2,862.5	+60.8%	+134.7%
Non-Emergency Spending	\$90.1	\$108.3	\$268.0	+197.4%	+147.5%
TOTALS	\$7,919.0	\$14,342.6	\$15,140.7	+91.2%	+5.6%
Offsets	\$122.5	\$1,121.0	\$1,995.4	+1528.9%	+78.0%

Source: House Appropriations Committee

- * \$1.8 billion for FY 2000 increases in military pay and retirement, subject to congressional authorization and an emergency designation by the president;
- * \$1.1 billion for humanitarian aid to cope with the burgeoning refugee crisis in the Balkans; and
- * \$475 million for various military construction projects.

H.R. 1141 also includes (1) \$100 million to resettle Kosovo refugees temporarily in the U.S.; (2) \$149 million to provide food assistance to refugees in Kosovo; and (3) \$200 million for Coast Guard readiness.

Emergency Disaster Relief and Other Supplemental Spending. H.R. 1141 appropriates approximately \$2.9 billion in emergency disaster relief to victims of Hurricanes Mitch and Georges in Central America and tornado victims in the Midwest as well as other emergency spending. Specifically, the measure allocates (1) \$900 million for the Federal Emergency Management Agency; (2) approximately \$1 billion in emergency disaster relief to victims of Hurricanes Mitch and Georges in Central America; (3) \$100 million in economic and military aid to Jordan; and (4) \$545.9 million to support U.S. farmers. In addition, the measure rescinds approximately \$2 billion, including \$1.25 billion in excess balances within the Food Stamp program, \$350 million from unspent balances within the Section 8 housing program, and \$230 million of community development block grant unobligated balances.

Miscellaneous Provisions. Finally, the measure:

- * lifts the June 15th fence on all FY 1999 funding for Commerce-State-Justice appropriations. Funding now may be allocated for the remainder of the fiscal year. In addition, the measure allocates \$45 million in unanticipated costs associated with FY 1999 census funding;
- * requires the president to seek an equitable reimbursement from NATO members and other appropriate organizations and nations for the costs incurred by the U.S. in connection with *Operation Allied Force*;

- * prohibits any funds in H.R. 1141 from being used to implement a long-term, regional program of development or reconstruction in Southeastern Europe;
- * extends the authorization of the Federal Aviation Administration's aviation improvement program (AIP) through August 6, 1999 (the authorization for the AIP is set to expire on May 31); and
- * prohibits the federal government from recouping any Medicaid funds recovered by the states in the \$206 billion tobacco settlement.

Background:

The Kosovo Conflict

For almost two months, the U.S. and its NATO allies have bombed targets in Yugoslavia as part of *Operation Allied Force*. The vast majority of military hardware and sorties flown so far in this air-war have been American. In the president's \$6 billion dollar request for emergency funds for Kosovo, the White House cited \$718 million as the amount needed per month for operational costs and munitions. A Congressional Budget Office (CBO) report requested by Senator Domenici projected the cost of the air war at about \$1 billion per month. These figures do not take into account what it will cost the United States to deploy even one armored division of 27,000 troops. The same CBO report stated that it costs \$200 million per month to deploy a division and an additional \$100 million per month if combat is involved (the president has not requested a ground force estimate). CBO also estimated that the resulting refugee crisis in the Balkans will require \$200-\$250 million in humanitarian assistance; the president has estimated \$1 billion.

Operation Allied Force is the 33rd deployment of U.S. armed forces within the last nine years. This high tempo of operations, coupled with stagnant defense budgets and military cutbacks, has led critics to deride the administration for creating a "hollow force." Military experts agree that the United States can no longer adhere to the two front doctrine it has embraced and could not react to an operation the size of Operation Desert Storm with today's military forces. Even more disturbing is the difficulty the armed forces are experiencing trying to recruit and retain a sufficient number of volunteers needed to maintain proper readiness.

To illustrate the effects on the common soldier from a lack of funds, one need look no further than an event that took place in the beginning of the air campaign. When a U.S. airman was shot down over Bosnia and a rescue mission was launched, a complex survival radio locator allowed his safe recovery. What lawmakers have found alarming is that not all American fighter planes have these locators. According to leaked Army documents: "We do not have any radios available to fill shortages." Pilots of the 104th Air Reserve Squadron of Maryland currently flying missions over Iraq have been forced to go to Radio Shack and purchase their own GPS devices.

On a larger scale, the current U.S. military doctrine is based on the tenet that the military must be able to fight two, simultaneous wars. However, a high-ranking general recently indicated that "we don't have a (two-war) capability." That this is clearly true is demonstrated by the fact that, in order to carry out operations in Kosovo, the president: (1) ordered a temporary suspension of enforcement in

the Iraqi Northern no-fly zone; (2) removed a carrier battle group from the Western Pacific; (3) called up 35,000 reservists; and (4) has committed nearly seven (and plans to commit more) of the military's 20 combat air wings. In addition, the bombing campaign in Kosovo—and earlier this year in Iraq, Sudan, and Afghanistan—have resulted in the near depletion of air-launched cruise missiles and a shortage of precision-guided munitions.

At recent congressional hearings, the respective service chiefs had the chance to testify and report on their budgets and detail current shortfalls. According to armed forces commanders, the U.S.'s near-term war-fighting capability suffers a \$28.7 billion shortfall in ammunition and spare parts, which amounts to (1) an \$18 billion shortfall for the Air Force; (2) a \$3.8 billion shortfall for the Navy; (3) a \$3.7 billion for the Army; and (4) a \$3.2 billion shortfall for the Marines. What the military chiefs find more disturbing is that the current active-duty military force is at two-thirds (1.4 million) the level of what it was in the 1980s and yet the increasing demands on the military from overseas missions has increased some 300 percent.

The Navy, which at the height of its buildup manned 585 ships, is short 22,000 personnel today to man the remaining 327 ships. Air Force and Navy fighter squadron capabilities are severely hampered because up to one-third of their planes are out of service in order to cannibalize their parts and keep the rest of the fleet flight capable.

The president has, from the beginning of the NATO operation in Kosovo, stated that ground troops would be unnecessary. Given this "all-air" doctrine, one would assume that American pilots' readiness and their craft would be at peak potential. However, the mission capable rates of each services' fighters has decreased by up to 10 percent in the past few years. Coupled with this is a lack of spare parts, which leads to fewer training missions for pilots to keep at a constant state of readiness. These symptoms have been cited by the service chiefs as reasons why pilot retention is at the lowest rate since the end of World War II. According to the General Accounting Office (GAO), "low retention rates may be related to current deployment schedules. Pilots identified the frequency and length of their deployments and lack of a clear mission objectives as concerns." Pilots reported to the GAO that they were not sure at the beginning of each training period day if they would be able to fly because of the number of planes under repair or out of commission. Given these problems, pro-defense lawmakers have urged Congress to go beyond merely paying for the immediate costs of the Kosovo operation, and instead address the long-term problems of readiness, retention, and equipment shortfalls in order to replenish the hollow forces.

Disaster Relief

Hurricane Mitch left a devastating wake in Central America—with Honduras, Nicaragua, El Salvador, and Guatemala being hit the hardest—claiming 9,000 lives, leaving thousands still missing, and robbing tens of thousands their homes. The hurricane triggered floods and mudslides that wiped out villages, croplands, schools, and roads. More than one-third of Honduras' schools were damaged or destroyed and 80 percent of its crops were lost. The U.S. relief effort brought 5,900 U.S. troops to the region immediately after the storm, more than 11 times the normal U.S. presence. The Army Corps of Engineers estimates that the cost of repairing infrastructure alone totals \$8.5 billion. The international community has pledged \$6.3 billion for Central America; the U.S. share will cover 10-12 percent of total needs created by the disasters.

On January 25, 1999, a catastrophic earthquake—registering 6.0 on the Richter scale—struck northern Colombia. The region hardest hit included the cities of Armenia, Calarca and Pereira. This powerful earthquake and its aftershocks killed nearly 1,000 people and injured more than 4,000, left 4,000 missing and 250,000 homeless. The earthquake caused an estimated \$1.5 billion in damage. Since the devastation caused by these disasters, the United States has already committed more than \$300 million in urgently needed humanitarian assistance, primarily for food, medical supplies, and to transport commodities. The supplemental funds will help reduce the risk of widespread public health problems, assist in re-opening schools, and help ensure that needed agricultural resources are widely available before the spring planting season.

On May 3, a series of mammoth tornadoes swept through Oklahoma and Kansas, killing 43 people and causing extensive damage to homes and businesses in many local communities. Federal officials estimated that property damage in the Oklahoma City area alone may exceed \$1 billion. Earlier insurance industry figures had estimated the damage total at \$1 billion statewide. In addition, more than 10,000 houses were either leveled or damaged beyond repair and more than 12,000 vehicles were tossed and crumpled by winds that in some places reached 300 mph. The Red Cross estimates that more than 5,000 families have been left homeless.

Finally, the measure allocates funding for emergency loans to farmers and ranchers as well as other aid to help farmers cope with natural disasters. The Department of Agriculture has projected that net farm income will decline \$3 billion below last year, mainly because of bad crop harvests from natural disasters, drought, and unfavorable weather.

Foreign Aid

The measure includes economic and military support for Jordan. The United States has played a leadership role in mobilizing broad international support for Jordan in the wake of King Hussein's death. The late king was a strong proponent of stability in the region and was a courageous promoter of the Middle East peace process. Supporters of the funding believe a stable transition in Jordan is essential to promoting U.S. interests in Middle East peace and stability.

Provisions:

— *Kosovo-Related Appropriations* —

Commerce-Justice-State Appropriations

H.R. 1141 appropriates \$70.5 million for various Balkan-related projects administered by the Commerce, Justice, and State Departments. Specifically, this amount allocates:

- * \$17.1 million for diplomatic and consular programs, equal to the president's request. This amount funds diplomatic efforts related to the crisis in Kosovo, including the costs of shutting down the Belgrade embassy and enhancing security at posts in the region;

Defense Supplemental Appropriations

Appropriation Account	President's Request	House Proposal	Conference Report	% Change from Request	% Change from House Level
(in millions)					
State Department					
Diplomatic & Consular Programs	\$17.1	\$17.1	\$17.1	+0.2%	+0.2%
U.S. Mission Security & Maintenance	\$5.0	\$50.5	\$50.5	+910.0%	0.0%
Diplomatic & Consular Service Emerg.	\$2.9	\$2.9	\$2.9	0.0%	0.0%
Migration & Refugee Assistance	\$125.0	\$195.0	\$266.0	+56.0%	+36.4%
U.S. Emergency Migration & Refugee Asst	\$95.0	\$95.0	\$165.0	0.0%	+73.7%
Defense Department					
Military Personnel	\$16.5	\$16.5	\$16.5	0.0%	0.0%
Operations & Maintenance	\$5,441.6	\$5,219.1	\$5,007.3	-8.0%	-4.1%
Procurement	\$0.0	\$1,084.3	\$984.3	—	-9.2%
General Provisions*	\$0.0	\$4,920.1	\$4,188.4	—	-14.9%
Military Construction	\$0.0	\$831.0	\$475.0	—	-42.8%
NATO Security Investment Program	\$0.0	\$240.0	\$0.0	—	-100.0%
Agriculture Department					
Humanitarian Food Aid	\$0.0	\$0.0	\$149.2	—	—
Transportation Department					
Coast Guard	\$0.0	\$0.0	\$200.0	—	—
Health & Human Services Department					
Refugee and Entrant Assistance	\$0.0	\$0.0	\$100.0	—	—
Bilateral Economic Assistance					
Agency for Int'l Development	\$71.0	\$163.0	\$163.0	+129.6%	0.0%
Economic Support Fund	\$105.0	\$105.0	\$105.0	0.0%	0.0%
Asst. for Eastern Europe & Baltic States	\$170.0	\$75.0	\$120.0	-29.4%	+60.0%
TOTALS	\$6,049.1	\$13,014.5	\$12,010.2	+98.5%	-7.7%

Source: House Appropriations Committee

* Includes FY 2000 Advance Appropriations

- * \$50.5 million for security and maintenance of U.S. missions—\$45.5 million more than the president's request—to fund the construction of fully secure State Department facilities in the region; and
- * \$2.9 million for emergencies in the diplomatic and consular service, equal to the president's request, which covers the costs of evacuating post personnel and dependents as a result of the Kosovo conflict.

Defense Appropriations

H.R. 1141 appropriates \$10.9 billion—\$5.4 billion more than the president's request—for the Department of Defense and related organizations to replenish unbudgeted funding spent on personnel, operations, equipment replacement, and drawdown costs associated with FY 1999 operations in Southwest Asia (Operations Desert Thunder, Desert Fox, and Enhanced Northern and Southern Watch) and ongoing operations in Yugoslavia. A breakdown of funding is detailed below.

Military Pay. H.R. 1141 provides an advance FY 2000 appropriation of \$1.8 billion for increases in basic military pay, targeted pay increases for certain grades (i.e.; "pay table reform"), and additional benefits by repealing the 1986 Military Retirement Reform Act. This funding may not be

released until authorized by Congress and designated as emergency funds by the president. In addition, the measure allocates \$16.5 million for special pay and allowances for military personnel in Southwest Asia.

Transfer Fund. The bill provides \$5 billion for the overseas contingency operations transfer fund. These funds are for munitions, readiness, and other purposes for operations in Southwest Asia and Kosovo. The contingency fund ensures that funds will be made available only following a specific determination of munitions needs, and only after the president submits a subsequent budget request. Of this amount, the measure allocates \$3.9 billion in emergency funding for personnel and operations costs, which is \$684 million less than the president's request. However, the measure provides the requested \$684 million in procurement accounts. The measure also provides \$1.1 billion in contingent emergency funding for munitions and readiness-related Kosovo expenses, \$250 million more than the president's request.

Procurement. The measure appropriates \$985 million (including \$684 million in contingency transfer funds) for procurement. Of this amount, the measure appropriates (1) \$431.1 million for weapons for the Navy; (2) \$253.2 million for aircraft, missiles, and ammunition for the Air Force; and (3) \$300 million for the Operational Rapid Response Transfer Fund. This fund enables the armed services to deploy needed equipment and supplies to U.S. forces engaged in or supporting *Operation Allied Force*. It also provides a potential means to rapidly deploy substitute or replacement capabilities to other regional commands that have had assets diverted from their operational theaters to support the Kosovo mission. The president did not request any funds.

General Provisions. H.R. 1141 provides \$2.3 billion for parts, maintenance, recruiting, readiness training, and base operations (the president did not request this funding). Specifically, the measure appropriates:

- * \$1.1 billion to address the spare parts shortfall generated by previous insufficient funding to maintain weapons systems. These funds will improve the recent steady decline in mission capable rates of weapons systems, particularly of Navy and Air Force aircraft;
- * \$742.5 million to buttress DOD shortfalls regarding proper depot upkeep and operations that support *Operation Allied Force*;
- * \$100 million for the Armed Forces (except the Marine Corps) to support recruiting and advertising in order to maintain adequate force numbers;
- * \$200.2 million for readiness training and operations tempo to alleviate pressure on the military services' readiness-related training programs and ensure that American forces are trained properly to meet required readiness levels; and
- * \$182.4 million for base operations support. This funding replenishes base operations shortfalls and supports the Department of Defense base infrastructure, relieving pressure on the readiness accounts by ensuring that DOD will not need to divert base operation funds to support readiness.

Bilateral Economic Assistance

H.R. 1141 provides \$1.1 billion for bilateral economic assistance, almost double the president's request. This amount includes:

- * \$163 million for the Agency for International Development (USAID)—\$92 million more than the president's request—to address the refugee crisis in the Balkans;
- * \$105 million for the Economic Support Fund—equal to the president's request—to remain available until September 30, 2000. Of this amount, H.R. 1141 allocates \$100 million for direct assistance to Albania, Bosnia, Bulgaria, Romania, Macedonia, and Montenegro (states adjacent to Yugoslavia), as well as \$5 million to document war crimes and atrocities committed in Kosovo;
- * \$120 million for additional bilateral assistance to Eastern Europe and Balkan nations to remain available until September 30, 2000, \$50 million less than the president's request. The measure does not match the president's request because it increases resources in other accounts to meet emergency needs in the Balkans. Additionally, appropriators believe that part of the requested funding could be used to provide long-term reconstruction programs in the Balkans, which they believe is premature; and
- * \$431 million for the State Department's migration and refugee assistance funds, \$221 million more than the president's request. The increased funding for refugee assistance is provided to ensure sufficient funds for refugee assistance even if it becomes necessary to support large refugee populations through the upcoming winter.

Other Assistance. The measure also provides:

- * \$100 million for the Health and Human Services Department to temporarily resettle Kosovsar refugees in the United States;
- * \$149.2 million for Agriculture Department *P.L. 480* Title II grants to provide food assistance to benefit refugees in the Balkans; and
- * \$200 million for the Coast Guard to address ongoing readiness requirements (i.e., military pay raise, housing allowances, health care, recruiting, etc.).

Military Construction

H.R. 1141 appropriates \$475 million for a "Military Construction Transfer Fund" contingent on the president declaring the funding as emergency spending. This funding may be used for diplomatic missions, readiness, and force protection activities related to the conflict in the Balkans. The bill allows the Defense Secretary to determine any projects that may be funded by this appropriation and transfer funds to the appropriate military construction accounts. Finally, the measure requires the Undersecretary of Defense (Comptroller) to submit an after-the-fact notification of transfers from this fund and the individual projects and provide it to the appropriate congressional committees. The original House-passed version included specific military construction items designated for the Army,

Navy, Air Force, and Defense-wide projects totaling \$831 million. The president did not request any funds for military construction.

— *Emergency Supplemental Appropriations* —

H.R. 1141 appropriates approximately \$2.9 billion in emergency disaster relief to victims of Hurricanes Mitch and Georges in Central America as well as other emergency spending, distributed through the departments and agencies listed below.

Federal Emergency Management Agency

The measure provides \$900 million for FEMA to provide disaster assistance to assist victims of the recent Midwest tornadoes and other natural disasters. This amount also is expected to provide sufficient funding to meet the needs associated with any disaster events that occur in the remaining months of the fiscal year. FEMA, an independent federal agency created in 1979, administers the Disaster Relief Fund, which provides grants to state and local governments, nonprofit organizations, businesses, and individuals for losses suffered in major disasters or emergencies declared by the president. Finally, the measure transfers responsibility for awarding \$230 million in disaster assistance to states for unmet disaster needs from the Department of Housing and Urban Development (HUD) to the Federal Emergency Management Agency (FEMA).

Department of Agriculture

Farm Service Agency. The bill allocates \$105.6 million in credit subsidies to the Agricultural Credit Insurance Fund to support \$1.1 billion in emergency loans to farmers and ranchers. The FY 1999 Omnibus Appropriations Act (*P.L. 105-277*) enacted last year provided \$121 million in subsidies to support \$2.8 billion in Agriculture Department loans. However, this funding will be depleted by April 15, 1999. The measure provides \$4 million for administrative expenses to carry out these loan programs.

The measure also provides \$42.8 million for Farm Service Agency salaries and expenses of the agency to support additional temporary staffing for the next five months to help provide disaster assistance.

Forest Service. H.R. 1141 appropriates \$5.6 million for emergency repairs in the Caribbean National Forest in Puerto Rico as a result of Hurricane Georges and other natural disasters. These funds also may be used to repair damage to the International Institute of Tropical Forestry.

Agricultural Marketing Service (AMS). The bill provides \$145 million for AMS funds to strengthen agricultural markets in the wake of natural disasters.

Commodity Credit Corporation. The measure appropriates \$73 million to the Commodity Credit Corporation fund, of which \$70 million is allocated to the livestock disaster assistance fund and \$3 million to the livestock indemnity program for damages caused by natural disasters. In addition, the measure provides \$28 million in FY 1999 and \$35 million in FY 2000 for technical assistance activities in carrying out the Conservation Reserve Program and the Wetlands Reserve Program.

Emergency Supplemental Appropriations

Appropriation Account	President's Request	House Proposal	Conference Report	% Change from Request	% Change from House Level
	(in millions)				
Bilateral Economic Assistance					
Agency for Int'l Development	\$25.0	\$25.0	\$25.0	0.0%	0.0%
Aid to Jordan	\$250.0	\$100.0	\$100.0	-60.0%	0.0%
Advance Appropriations	\$50.0	\$0.0	\$0.0	-100.0%	-100.0%
Drug Interdiction (State Department)	\$0.0	\$0.0	\$23.0	—	—
Central America Disaster Relief	\$621.0	\$621.0	\$621.0	0.0%	0.0%
Department of Agriculture					
Migrant Worker Assistance	\$0.0	\$0.0	\$20.0	—	—
Agricultural Marketing Service	\$0.0	\$0.0	\$145.0	—	—
Commodity Credit Corporation	\$0.0	\$0.0	\$73.0	—	—
Farm Service Agency	\$152.4	\$152.4	\$180.4	+18.4%	+18.4%
Natural Res. Conservation Service	\$0.0	\$0.0	\$95.0	—	—
Conservation Reserve Program	\$0.0	\$0.0	\$28.0	—	—
Rural Community Advancement	\$0.0	\$0.0	\$30.0	—	—
Rural Housing Service	\$0.0	\$0.0	\$2.5	—	—
Department of Defense					
Military Personnel	\$0.0	\$16.3	\$16.3	—	0.0%
Operations & Maintenance (Disaster Relief)	\$188.5	\$178.6	\$199.6	+5.9%	+11.8%
Department of Justice					
Immigration & Naturalization Service	\$80.0	\$80.0	\$80.0	0.0%	0.0%
Department of the Treasury					
Debt Restructuring	\$41.0	\$41.0	\$41.0	0.0%	0.0%
Federal Emergency Management Agency	\$372.0	\$0.0	\$1,130.0	+203.8%	—
Economic Support Fund (East Timor)	\$0.0	\$0.0	\$6.5	—	—
Other Agencies	\$0.0	\$5.6	\$46.2	—	+723.8%
TOTALS	\$1,779.9	\$1,219.9	\$2,862.5	+60.8%	+134.7%

Source: House Appropriations Committee

Emergency Grants. The measure allocates \$20 million to assist low-income migrant and seasonal workers in areas of California and Florida impacted by natural disasters.

Emergency Conservation Program. The measure appropriates \$28 million for the Emergency Conservation Program to provide cost-sharing assistance to farmers and ranchers for farmland damaged by ice storms, tornadoes, flooding, drought, and other natural disasters.

Natural Resources Conservation Service. H.R. 1141 provides \$95 million for watershed and flood prevention operations to reduce hazards to life and property in watersheds damaged by natural disasters.

Rural Housing Assistance Grants. H.R. 1141 appropriates \$2.5 million for rural housing assistance grants. Of this amount, the measure allocates (1) \$1.2 million to support an estimated \$10 million in additional section 502 single-family housing loans; (2) \$352,000 to support an estimated \$1 million in additional section 504 very low-income repair loans to meet rural housing needs in Puerto Rico resulting from Hurricane Georges; and (3) \$1 million to support additional section 504 very low-income housing repair grants to repair damages to housing in Puerto Rico (the House provided no funding).

Rural Community Advancement Program. The measure provides \$30 million for direct loans and grants to rural utilities.

Department of Defense (DOD)

The measure provides \$215.9 million for DOD disaster relief efforts resulting from Hurricane Mitch and Georges in Central America. The amounts provided will replenish funds diverted from various defense appropriations accounts to support emergency response efforts.

Bilateral Economic Assistance

Agency for International Development (AID). The measure allocates \$25 million for AID to partially replenish funds spent in response to Hurricanes Mitch and Georges and the earthquake in Columbia.

Aid to Jordan. The measure appropriates \$100 million in bilateral aid for Jordan, including \$50 million each in economic and military aid. The president requested additional funds in the form of advance appropriations for FY 2000; however, the committee expects to consider those requests during the FY 2000 appropriations season. The measure also includes \$6.5 million for election monitoring and related activities in East Timor.

This assistance is intended to promote U.S. interests in Middle East peace and stability and display the United States' continued support for King Abdullah and Jordan. The economic assistance is expected to leverage contributions from the Gulf States, G-7 partners, and the European Union in the form of additional trade and financial support for Jordan, as well as debt relief. These funds also will play a crucial role in maintaining Jordan's progress on economic reform, improving its military readiness and modernization objectives, helping the country defend its borders, and strengthening U.S./Jordanian bilateral military ties.

Central America and the Caribbean Emergency Disaster Recovery Fund. H.R. 1141 allocates \$621 million for disaster relief efforts in Central America. The measure requires the president to submit a budget request designating the entire amount as an emergency.

Department of Justice

Immigration and Naturalization Service (INS). H.R. 1141 appropriates \$80 million in emergency funding for 2,945 additional detention beds to detain criminal aliens from Central America and illegal aliens from Central America apprehended at U.S. borders. This funding is related to the administration's determination to delay the return of these detainees to countries severely impacted by Hurricane Mitch. In addition, the measure includes language that, given the INS's inability to timely identify its detention needs and effectively manage its resources, requires the Attorney General to administer all funds made available for the INS in this measure.

Department of the Treasury

Debt Restructuring. The measure allocates \$41 million for debt restructuring. Of this amount, the measure makes available (1) \$16 million for the budget cost of reducing Honduras' bilateral debt owed to the United States; and (2) up to \$25 million to a multilateral Central America Emergency

Trust Fund to help Central American governments cover the costs of debt service owed to the World Bank, the Inter-American Development Bank and other international financial institutions.

Other Provisions. H.R. 1141 also provides (1) \$23 million for the State Department’s international narcotics control efforts; (2) \$12.6 million for Fish & Wildlife Service construction to repair damage due to rain, winds, ice, snow, and other acts of nature in the Pacific Northwest and Nevada; (3) \$26 million—contingent on a presidential emergency declaration—to compensate Dungeness Crab fisherman in Glacier Bay, Alaska, who have been adversely affected by restrictions on commercial fishing; and (4) \$2 million in emergency funding for the Holocaust Memorial Council. This amount, which will remain available until expended, allows the Holocaust Museum to begin work immediately on priority security needs identified in a recently completed threat assessment survey.

— *Supplemental Appropriations* —

H.R. 1141 provides \$268 million in supplemental (non-emergency) spending outlined below.

Census Funding. The measure lifts the June 15th fence on all FY 1999 funding for Commerce-State-Justice appropriations. Funding now may be allocated for the remainder of the fiscal year. In addition, the measure allocates \$45 million in unanticipated costs associated with FY 1999 census funding. Of this amount, conferees provide (1) \$10.9 million for additional costs to establish 520 local census offices; (2) \$4.2 million to prepare training and field deployment kits for census enumerators; (3) \$9.1 million for automated data processing and telecommunications to support increased field enumeration; (4) \$15 million for increased advertising and promotion programs; (5) \$3.7 million for administrative systems; and (6) \$2 million for additional contract support and infrastructure costs for the Telephone Questionnaire Assistance Program. Finally, the measure requires the president to submit a revised budget for the costs associated with the completion of the 2000 census by June 1, 1999.

Corporation for Public Broadcasting. H.R. 1141 allocates \$48 million to allow the Corporation for Public Broadcasting and National Public Radio to proceed with negotiations for a public radio satellite replacement. Of this amount, the measure provides \$30.7 million for FY 1999 and \$17.3 million in advance appropriations for FY 2000. In 1998, the satellite servicing the Public Radio Satellite System failed unexpectedly, and the system is currently operating on a temporary back-up satellite that will become unavailable later this year. Public radio needs to make contractual arrangements with a satellite vendor this spring to ensure continuity of services to public radio listeners.

Department of Defense Facilities. The measure appropriates \$31.4 million to repair storm-related damage at DOD facilities.

Education Funding. The measure appropriates \$56.4 million for concentration grants under the Title I program as a FY 2000 advance appropriation for the academic year 1999-2000. The measure also transfers \$1.5 million from the Education Research, Statistics, and Improvement account to the Higher Education account for the University of the District of Columbia.

Office of Special Trustee for American Indians. The measure appropriates \$21.8 million for federal trust programs. Of this amount, the measure allocates \$6.8 million to implement the Trust Management Improvement Project High Level Implementation Plan to ensure that the Interior De-

Non-Emergency Supplemental Funding

Appropriation Account	President's Request	House Proposal	Conference Report	% Change from Request	% Change from House Level
	(in millions)				
Dept. of Justice (Salaries and Expenses)	\$0.0	\$0.0	\$1.3	—	—
Department of Commerce					
NOAA	\$5.0	\$0.0	\$1.9	-62.4%	—
Bureau of Census	\$0.0	\$0.0	\$44.9	—	—
Supreme Court Security	\$0.9	\$0.9	\$0.9	0.0%	0.0%
Department of Interior					
Bureau of Land Reclamation	\$0.0	\$0.0	\$1.5	—	—
Special Trustee for American Indians	\$6.8	\$21.8	\$21.8	+220.6%	0.0%
National Commission on Terrorism	\$0.0	\$3.0	\$3.8	—	+28.0%
Military Construction/Family Housing	\$0.0	\$0.0	\$31.4	—	—
Department of Treasury	\$0.0	\$0.0	\$6.0	—	—
National Transportation Safety Board	\$0.0	\$0.0	\$2.3	—	—
Architect of the Capitol	\$0.0	\$5.6	\$5.6	—	0.0%
Department of Health & Human Services	\$0.0	\$0.0	\$1.0	—	—
Education for Disadvantaged*	\$0.0	\$0.0	\$56.4	—	—
Corporation for Public Broadcasting*	\$48.0	\$48.0	\$48.0	0.0%	0.0%
Federal Drug Control Programs	\$0.0	\$0.0	\$2.5	—	—
General Provisions	\$0.0	\$0.0	\$9.7	—	—
Court of Veterans' Appeals	\$0.4	\$0.0	\$0.0	-100.0%	—
Postal Service Fund Payment	\$29.0	\$29.0	\$29.0	0.0%	0.0%
TOTALS	\$90.1	\$108.3	\$268.0	+197.4%	+147.5%

Source: House Appropriations Committee
 * Includes FY 2000 Advance Appropriations

partment meets its fiduciary obligations to Native Americans and \$15 million to support costs associated with ongoing litigation involving the department and approximately 300,000 holders of Individual Indian Money (IIM) trust accounts.

Postal Service Fund. The measure allocates \$29 million for the U.S. Postal Service fund as part of its annual appropriation for subsidized mail (i.e., non-profit mail, free mail for the blind, and free mail for overseas voting).

Supreme Court Security. H.R. 1141 provides \$921,000 to hire 36 police officers for the Supreme Court, both to enhance security and to bring the Court in line with recently adopted security standards by the Capitol Police regarding public buildings under their protection.

Architect of the Capitol. The measure appropriates \$5.6 million to renovate and improve fire safety in the O'Neill House Office Building. A recent audit conducted by the House Inspector General has revealed that the building has a number of structural and safety deficiencies.

Leadership Offices. The bill increases the authorization level—beginning in FY 2000—for the Office of the Majority Whip and the Minority Leader by \$333,000 each. The measure also allocates an additional \$25,000 immediately upon enactment to each office.

Drug Control Programs. The measure includes \$2.5 million for the High Intensity Drug Trafficking Areas Program to further its critical drug reduction efforts.

Housing Programs. H.R. 1141 increases the commitment level for the Federal Housing Administration's Mutual Mortgage Insurance Fund from \$110 billion to \$140 billion (the existing limitation may be exceeded before the end of the fiscal year). Similarly, the measure increases the commitment level for the Government National Mortgage Association from \$150 billion to \$200 billion.

U.S. Commission On International Religious Freedom. The measure allocate \$3 million for necessary expenses for the United States Commission on International Religious Freedom as authorized by the 1998 International Religious Freedom Act (*P.L. 105-292*).

Other Provisions. The measure also provides (1) \$1 million for the HHS Department to reduce the backlog of pending nursing home appeals; (2) \$1.3 million for costs of the WTO Ministerial meeting in Seattle this fall; (3) \$1.9 million for the National Oceanic Atmospheric Administration to support research, management, and enforcement of new regulations in the Northeast Multispecies fishery; (4) \$2 million for the State Department to hire additional personnel and support staff to improve scrutiny of export license applications; (5) \$1.5 million for the Bureau of Reclamation to purchase water to restore water levels at the San Carlos Lake in Arizona; (6) \$839,500 for necessary expenses of the National Commission on Terrorism; (7) \$1.5 million for the operation and expenses of the International Financial Institution Advisory Commission and the International Monetary Fund Advisory Committee; (8) \$2.3 million for the National Transportation Safety Board for expenses resulting from the crash of TWA Flight 800; and (9) \$4.5 million for the ATF to expand the National Tracing Center.

— *Rescissions* —

H.R. 1141 rescinds approximately \$2 billion from the following programs.

Food Stamp Program. The bill rescinds \$1.25 billion in excess balances within the Food Stamp program. This will not have an impact on beneficiaries of the program because of declining participation levels due to the improved economy and lower unemployment.

Section 8 Housing. The measure rescinds \$350 million from unspent balances within the Section 8 housing program. Because the Section 8 renewal account was fully funded in FY 1999, these funds are not necessary during the current fiscal year.

Community Development Block Grants. The bill rescinds \$230 million of unobligated balances for disaster relief. As noted above, an identical amount was transferred to FEMA from HUD for unmet disaster needs.

Department of Defense. H.R. 1141 rescinds \$31.4 million from the Base Realignment and Closure Account, Part IV.

Department of Transportation (DOT). The measure rescinds a total of \$8.6 million for DOT programs, including (1) \$6.5 million for Federal Highway Administration state infrastructure grants; (2) \$815,000 in contract authority for payments to air carriers; (3) \$665,000 in contract authority from the trust fund share of transit programs; and (4) \$600,000 in unobligated balances of interstate transfer transit grants.

Rescissions

Appropriation Account	President's Request	House Proposal	Conference Report	% Change from Request	% Change from House Level
	(in millions)				
Food Stamp Program	\$0.0	\$0.0	\$1,250.0	—	—
Section 8 Housing	\$0.0	\$0.0	\$350.0	—	—
Community Development Block Grants	\$0.0	\$0.0	\$230.0	—	—
Bureau of Land Management	\$6.8	\$6.8	\$6.8	0.0%	0.0%
Callable Capital Appropriations	\$0.0	\$648.0	\$0.0	—	-100.0%
Classified Programs	\$82.0	\$40.0	\$0.0	-100.0%	-100.0%
Department of Energy	\$0.0	\$150.0	\$0.0	—	-100.0%
Department of Labor					
Education Research & Statistics	\$0.0	\$6.8	\$6.5	—	-4.4%
Nursing Loan Program	\$0.0	\$2.8	\$2.8	—	0.0%
State Unemployment Insurance Admin.	\$5.7	\$21.0	\$22.4	+293.0%	+6.7%
Department of Transportation Programs	\$0.0	\$8.6	\$8.6	—	0.0%
DOD Base Closure Realignment Part IV	\$0.0	\$0.0	\$31.4	—	—
International Programs					
AID Development Assistance	\$0.0	\$40.0	\$0.0	—	-100.0%
Asst. for Eastern Europe & Baltic States	\$0.0	\$20.0	\$0.0	—	-100.0%
Asst. for Newly Ind. States/Former USSR	\$0.0	\$25.0	\$0.0	—	-100.0%
Economic Support Fund	\$0.0	\$17.0	\$5.0	—	-70.6%
Export-Import Bank of the U.S.	\$0.0	\$25.0	\$0.0	—	-100.0%
Foreign Military Financing Program	\$18.0	\$0.0	\$0.0	-100.0%	—
International Organizations & Programs	\$0.0	\$10.0	\$0.0	—	-100.0%
Trade & Development Agency	\$0.0	\$5.0	\$0.0	—	-100.0%
USIA Buying Power Maintenance	\$0.0	\$20.0	\$20.0	—	0.0%
Voluntary Peacekeeping	\$0.0	\$10.0	\$0.0	—	-100.0%
World Bank Global Environment Program	\$0.0	\$25.0	\$25.0	—	0.0%
P.L. 480 Title I Aid	\$0.0	\$30.0	\$0.0	—	-100.0%
Agricultural Research Service	\$0.0	\$0.0	\$22.5	—	—
ATF Salaries & Expenses	\$0.0	\$0.0	\$4.5	—	—
Unanticipated Needs for Natural Disasters	\$10.0	\$10.0	\$10.0	0.0%	0.0%
TOTALS	\$122.5	\$1,121.0	\$1,995.4	+815.1%	+78.0%

Source: House Appropriations Committee

International Programs. The measure rescinds funding from a variety of other programs, including (1) \$5 million from the Economic Support Fund; (2) \$25 million from the U.S. contribution to the Global Environmental Program administered by the World Bank; and (3) \$20 million in buying power maintenance from the U.S. Information Agency.

Miscellaneous Programs. The measure rescinds funding from other miscellaneous programs, including (1) \$6.8 million from the Bureau of Land Management; (2) \$22.4 million from the Employment and Training Administration's state unemployment insurance administration; (3) \$6.5 million for education research, statistics, and improvement; (4) \$2.8 million in unobligated balances from the federal capital loan program for nursing; and (5) \$4.5 million from the ATF from amounts previously made available to expand the National Tracing Center; (6) \$10 million in unanticipated needs for natural disasters; and (7) \$22.5 million from the Agricultural Research Service.

— *Legislative Provisions* —

The measure includes a number of legislative provisions. Specifically, the measure:

- * requires the president to seek an equitable reimbursement from NATO members and other appropriate organizations and nations for the costs incurred by the U.S. in connection with *Operation Allied Force*. The president must report his findings to Congress by September 30, 1999;
- * prohibits any funds in H.R. 1141 from being used to implement a long-term, regional program of development or reconstruction in Southeastern Europe;
- * extends the authorization of the Federal Aviation Administration's aviation improvement program (AIP) through August 6, 1999 (the authorization for the AIP is set to expire on May 31). In addition, the measure permits the Washington Metropolitan Airport Authority to spend up to \$30 million in obligational authority;
- * prohibits the federal government from recouping any Medicaid funds recovered by the states in the \$206 billion tobacco settlement. The president's FY 2000 budget includes a five-year projection of federal recoupment of settlement funds, starting at \$4.6 billion in FY 2001 and increasing to \$4.8 billion in FY 2004;
- * prohibits the Interior Department from issuing a final rule on amendments to surface mining regulations until at least 120 days after the National Academy of Sciences (NAS) issues its report examining the adequacy of existing state and federal mining regulations. The NAS is expected to issue its report by July 31, 1999;
- * extends the moratorium on a Clinton Administration plan to recalculate the valuation of royalties paid on oil and gas production on federal lands until October 1, 1999, or until there is a negotiated agreement;
- * clarifies that the FY 1999 moratorium on new and expanded self-determination contracts applies only to the Bureau of Indian Affairs and the Indian Health Service;
- * overturns a ruling by the Interior Department's solicitor general of November 7, 1999, concerning mill sites under the general mining law. On March 26, the Interior and Agriculture departments denied a company's proposed plan of operations for the Crown Jewel Mine in Washington state near the Canadian border. This provision will effectively allow the company to move forward and develop its mining operation. Opponents of the solicitor general's opinion have argued that it is a selective interpretation and retroactive application of the mining law. Mining supporters feared the ruling would open a new front in the Clinton administration's efforts to restrict mining on federal lands. In addition, the measure requires the Interior Department and the Forest Service to submit a report to the House and Senate Appropriations Committees by August 31, 1999, on the impact of the Interior Department's solicitor general's opinion;

- * authorizes the Attorney General to transfer up to \$4.3 million from available Justice Department funds to pay remaining reparation claims of Japanese individuals interned during World War II, including some from Latin America who were placed in U.S. detention camps;
- * prohibits the taking of Cook Inlet beluga whales under the Marine Mammal Protection Act, unless such a taking occurs pursuant to a cooperative agreement between the National Marine Fisheries Service and the Cook Inlet Marine Mammal Council; and
- * authorizes the use of funds from the Crime Victims Fund to allow the families of victims of Pan Am 103 to travel to the Netherlands in order to attend the bombing trial.

Other Information:

For details on H.R. 1141 as debated by the House, see *Legislative Digest*, Vol. XXVIII, #8, March 19, 1999. For details on H.R. 1664 as debated by the House, see *Legislative Digest*, Vol. XXVIII, #12, Pt. II, May 4, 1999.

“Supplemental Appropriations for FY 1999: Central America Disaster Aid, Middle East Peace, and Other Initiatives,” by Larry Nowels, *CRS Report RL30083*, May 14, 1999; “Kosovo, Disaster Bills Head to Conference,” by William Scally and Leslie Ann Duncan, *Congressional Green Sheets*, May 10, 1999, pp. 11-12; “Clinton to Sign Emergency Spending Bill,” by Eric Pianin, *The Washington Post*, May 14, 1999; “Kosovo Bill Nears Completion,” by Alan Fram, *The Associated Press*, May 13, 1999; “Relief Measure Creates Tension,” by Juliet Eilperin, *The Washington Post*, April 4, 1999; “Military Stretched Thin,” by Duncan Hunter, *USA Today*, April 28, 1999; “Stretched Too Far,” by Richard Newman, *U.S. News & World Report*, April 19, 1999; “As Campaign Intensifies, U.S. Feels Strain,” by Paul Richter, *Los Angeles Times*, April 14, 1999.



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